RV BUSINESS

FROM THE EDITORS OF TL ENTERPRISES

APRIL 1984 $2.00

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SPECIAL FINANCE FEATURES:

How Much Is Your Business Worth?

S&Ls Have RV Money Now

How To Transfer Company Ownership

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RV BUSINESS

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ON THE COVER: *Business methods have come a long way since the old days. The good old days and today have been combined on our cover. This issue, which focuses on the financial aspects of our industry, presents some of those new approaches beginning on page 52. Photo by Hal Hunt.*

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Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR TO DATE			FOR MONTH			YEAR TO DATE		
	JAN '84	JAN '83	% CHANGE	1984	1983	% CHANGE	JAN '84	JAN '83	% CHANGE	1984	1983	% CHANGE
MOTORHOMES	78	66	+18%	78	66	+18%	57	37	+54%	57	37	+54%
TRAVEL TRAILERS	47	53	−11%	47	53	−11%	41	39	+5%	41	39	+5%
TRUCK CAMPERS	7	5	+40%	7	5	+40%	8	9	−11%	8	9	−11%
CAMPING TRAILERS	51	35	+46%	51	35	+46%	9	9	Same	9	9	Same
FIFTH-WHEELS	32	20	+60%	32	20	+60%	4	15	−73%	4	15	−73%

	FOR MONTH			YEAR TO DATE		
	JAN '84	JAN '83	% CHANGE	1984	1983	% CHANGE
SALES VOLUME	$5,373,247	$4,188,141	+26%	$5,373,247	$4,188,141	+26%
TOTAL UNIT SALES	334	288	+16%	334	228	+16%
NEW UNIT SALES	215	179	+20%	215	179	+20%
USED UNIT SALES	119	109	+9%	119	109	+9%

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 22 dealers representing a cross section of the U.S. dealer body. DAB dealerships range in size from very small (less than a million dollars in annual sales) to very large (more than $15 million in sales). Some specialize in one RV type; others offer two or more types. This report is an attempt to reflect the current retail sales picture—to show how dealers are doing. It does not purport to indicate RV production or factory sales to dealers.

At the retail level, January sales got '84 off to a good start. It wasn't quite the increase over the previous January that we saw last year, but, considering that last year was a real boomer, even a modest increase would be great.

Most dealers on the Dealer Advisory Board reported good profits. Motorhomes scored particularly well, as did used units of all kinds. Four categories of new unit sales were higher than in the previous January. Only one type dropped—travel trailers. Dealers are expecting a harder battle this year, but a very successful one.

MOTORHOMES:

The increase over last January is modest when compared to the 133% upsurge last year; however, it was easy to beat '82. Getting plus numbers this year will be more difficult. From all indications, though, the motorhome bandwagon will continue. Profits were rated excellent to good by most dealers of that type. Used units still enjoy great demand, which is quite likely to continue throughout '84.

TRAVEL TRAILERS:

The drop for the month isn't large, but any drop is noticeable. Most dealers of this type were off just a bit from the preceding January. Most rated profits as good, however. Used units moved at about the same pace as they did last year, but there is some concern by some dealers that trailer prices will get softer. The supply is growing.

TRUCK CAMPERS:

The sales figures are quite small, but new sales were fine in terms of percentage of increase. Profits were rated excellent to good. The drop of one unit in used units doesn't signify much. Dealers generally are selling used units at good profits.

CAMPING TRAILERS:

New units have taken off with a bang this year after a very poor start in '83. A couple of the dealers on the DAB who were in early shows were quite happy with the results. Profits were generally rated good; however, a couple of dealers who were closing out their '83s fell flat.

FIFTH-WHEELS:

The 60% new-unit jump over last January is the best for any type this month. The dealers who are pushing this type are on to something good. There's no explanation for the enormous drop in used-unit sales. Profits were rated all the way from poor to excellent. Δ

WDA QUARTERLY SALES FIGURES

RVBusiness publishes a quarterly report of sales statistics from the Warehouse Distributors Association. The charts shown here are based upon a representative sampling of WDA members, as compiled in the fourth quarter of 1983. While these statistics are not intended to be fully indicative of the sales volume among distributors in the RV and MH industries, they are presented here as an insight into the supplier/distributor industry.

SALES VOLUME

	FOURTH-QUARTER SALES VOLUME	
	PERCENT CHANGE 1982 to 1983	RANGE OF CHANGE
REGION 1	+28.2%	+66.0% to − 3.9%
REGION 2	+27.7%	+45.1% to −20.0%
REGION 3	+ 5.5%	+53.1% to − 2.9%
REGION 4	+21.1%	+28.9% to −33.5%
REGION 5	+31.1%	+37.2% to −28.7%
REGION 6	+47.3%	+91.5% to −22.5%

SALES VOLUME

	1983 YEAR-END SALES VOLUME	
	PERCENT CHANGE 1982 TO 1983	RANGE OF CHANGE
REGION 1	+23.2%	+41.9% to + 6.6%
REGION 2	+32.2%	+45.1% to −20.0%
REGION 3	+14.2%	+67.8% to −13.1%
REGION 4	+16.8%	+21.0% to − 9.1%
REGION 5	+19.3%	+37.7% to −20.2%
REGION 6	+32.5%	+51.9% to +16.0%

Region 1: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Washington, D.C.; **Region 2:** Alabama, Florida, Georgia, Mississippi, North and South Carolina and Tennessee; **Region 3:** Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North and South Dakota, Ohio and Wisconsin; **Region 4:** Arkansas, Colorado, Kansas, Louisiana, Oklahoma, New Mexico and Texas; **Region 5:** Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming; **Region 6:** Canada.

RVIA, JANUARY

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during January 1984 was 29,000 units, up 20.8% from January of 1983.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco, Incorporated, Middlebury, Indiana.

RV shipments were as follows in Jan. 1984		Jan. 1983	Percent Change	Cumulative 1984	Cumulative 1983	Percent Change
TRAVEL TRAILERS	7,100	4,800	+47.9%	7,100	4,800	+47.9%
FIFTH-WHEELS	1,500	1,000	+50.0%	1,500	1,000	+50.0%
TRUCK CAMPERS	300	300	0	300	300	0
MULTI-USE VEHICLES	11,000	11,800	− 6.8%	11,000	11,800	− 6.8%
TYPE A: MOTOR-HOMES	3,400	1,900	+78.9%	3,400	1,900	+78.9%
TYPE B: VAN CAMPERS	400	300	+33.3%	400	300	+33.3%
TYPE C: MINI MOTOR-HOMES	2,800	1,500	+86.7%	2,800	1,500	+86.7%
FOLDING CAMPING TRAILERS	2,500	2,400	+ 4.2%	2,500	2,400	+ 4.2%
TOTALS	29,000	24,000	+20.8%	29,000	24,000	+20.8%